

Hearing Date: September 14, 2022 at 2:00 p.m. (prevailing Eastern Time)
Objection Deadline: September 7, 2022 at 4:00 p.m. (prevailing Eastern Time)

Joshua A. Sussberg, P.C.
KIRKLAND & ELLIS LLP
KIRKLAND & ELLIS INTERNATIONAL LLP
601 Lexington Avenue
New York, New York 10022
Telephone: (212) 446-4800
Facsimile: (212) 446-4900

*Proposed Counsel to the Debtors and
Debtors in Possession*

Patrick J. Nash, Jr., P.C. (admitted *pro hac vice*)
Ross M. Kwasteniet, P.C. (admitted *pro hac vice*)
Christopher S. Koenig
Dan Latona (admitted *pro hac vice*)
KIRKLAND & ELLIS LLP
KIRKLAND & ELLIS INTERNATIONAL LLP
300 North LaSalle Street
Chicago, Illinois 60654
Telephone: (312) 862-2000
Facsimile: (312) 862-2200

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

In re:

CELSIUS NETWORK LLC, *et al.*¹

Debtors.

)
) Chapter 11
)
) Case No. 22-10964 (MG)
)
) (Jointly Administered)
) **Re: Docket Nos. 18, 344, 638,**
639
)

**DEBTORS' SUPPLEMENTAL REPLY IN SUPPORT
OF THE DEBTORS' REQUESTS TO (A) REDACT CERTAIN
PERSONALLY IDENTIFIABLE INFORMATION OF INDIVIDUALS
AND UNITED KINGDOM AND EUROPEAN UNION MEMBER COUNTRIES'
CITIZENS AND (B) IMPLEMENT AN ANONYMIZED IDENTIFICATION PROCESS**

The above-captioned debtors and debtors in possession (collectively, the "Debtors") file this supplemental reply (this "Reply") to the Objections filed by the U.S. Trustee and in further support of the *Debtors' Ex Parte Motion Pursuant to Section 107 of the Bankruptcy Code Seeking Entry of an Order (I) Authorizing the Debtors to Redact Certain Personally Identifiable Information from*

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are: Celsius Network LLC (2148); Celsius KeyFi LLC (4414); Celsius Lending LLC (8417); Celsius Mining LLC (1387); Celsius Network Inc. (1219); Celsius Network Limited (8554); Celsius Networks Lending LLC (3390); and Celsius US Holding LLC (7956). The location of Debtor Celsius Network LLC's principal place of business and the Debtors' service address in these chapter 11 cases is 121 River Street, PH05, Hoboken, New Jersey 07030.

*the Creditor Matrix, Schedules and Statements, and Related Documents and (II) Granting Related Relief [Docket No. 344] (the “Sealing Motion”), the Debtors’ Motion Pursuant to Section 107 of the Bankruptcy Code Seeking Entry of an Order (I) Authorizing the Debtors to (A) Redact Individual Names, and (B) Implement an Anonymized Identification Process, and (III) Granting Related Relief [Docket No. 639] (the “Account Redaction Motion” and together with the Sealing Motion, the “Motions”), and the Debtors’ Omnibus Reply to the U.S. Trustee’s Objections to Certain of the Debtors’ Requests to Redact Certain Personally Identifiable Information of Individuals and United Kingdom and European Union Member Countries’ Citizens [Docket No. 638] (the “Omnibus Reply”).² In support of this Reply, the Motions, and the Omnibus Reply, the Debtors also submit the Supplemental Declaration of Holden Bixler, Managing Director of the North American Commercial Restructuring practice of Alvarez & Marsal North America, LLC, in Support of the Debtors’ Supplemental Reply in Support of the Debtors’ Requests to (A) Redact Certain Personally Identifiable Information of Individuals and United Kingdom and European Union Member Countries’ Citizens and (B) Implement an Anonymized Identification Process, attached hereto as **Exhibit A** (the “Supplemental Bixler Declaration”). The Debtors request that the Objections be overruled and state the following in further support of the Motions:*

Preliminary Statement

1. The Debtors stand firm in their commitments to transparency and protecting individuals from undue risk of identity theft and other harm. Given the unique nature of these chapter 11 cases, the Debtors understand that in certain circumstances it will be difficult to equally abide by these twin principles. In those circumstances, the benefits of keeping hundreds of thousands of individuals safe and their assets secure outweighs any potential harm that the general

² Capitalized terms not otherwise defined herein are given the meanings ascribed to them in the Sealing Motion, the Account Redaction Motion, and the Omnibus Reply, as applicable.

public may experience by not having unfettered public access to names (where applicable), home addresses, email addresses, and account balances of such individuals. In this Reply, the Debtors provide further evidence of the real and significant harm that hundreds of thousands of individuals would face if the relief requested in the Motions is denied.

2. The Debtors are seeking the following relief in the Motions:

- pursuant to section 107(c) of the Bankruptcy Code, to redact from any paper filed with the Court, (a) the home addresses and email addresses of any citizens of the United States located in the United States, including the Debtors' employees, individual shareholders, and individual customers, and (b) the names, home addresses, and email addresses of any citizens of the United Kingdom or European Economic Area member countries and any individual whose citizenship is unknown;
- pursuant to section 107(c) of the Bankruptcy Code, to redact individual customer names, regardless of where such individual customers are located, in any instance when individual customer names would be disclosed in connection with customer account balances, and in such instances, to identify individual customers with anonymized identification numbers in lieu of names; and
- pursuant to section 107(b) of the Bankruptcy Code, to redact the email addresses and home addresses of the Debtors' customers.

3. To be clear, the Debtors ***will maintain unredacted, fully populated copies*** of all documents filed on the docket that redact the information noted above but will file on the docket (both on PACER and the case website on the platform of Stretto) a version that replaces individuals' home addresses, email addresses, and names (where applicable) with the notation "Name on File" (where applicable) and "Address on File." In places where necessary to use an anonymized number in lieu of a customer name, the document filed on the docket will replace a customer name with a six-digit, or other, unique number. Finally, as set forth in the Motions, the Debtors ***have provided or will provide all unredacted, fully populated documents*** to the Court, the U.S. Trustee, counsel to the Committee, and to other parties in interest upon request that is reasonably related to these

chapter 11 cases.

4. The two Motions appropriately balance the need for public access and transparency with the importance of safety and security and are rational solutions under the circumstances of these chapter 11 cases. Importantly, the Debtors and the Committee are aligned on these issues as demonstrated by the Committee Joinder and Supplemental Committee Joinder.³ Finally, instituting these policies in the early stages of the chapter 11 cases prevents undue risk of harm as a result of the Debtors' compliance with the requirements of the Bankruptcy Code and still leaves open the possibility of further public disclosure if the Court determines that such disclosure is necessary in applicable circumstances.

5. Accordingly, the Debtors request that the Court overrule the Objections and grant the relief requested in the Motions.

Reply

I. Redaction Is Warranted Under Section 107(c) of the Bankruptcy Code to Protect Individuals from Undue Risk of Identity Theft and Other Unlawful Injury to Individuals and Their Property.

6. In the Motions, the Debtors seek two types of relief pursuant to section 107(c) of the Bankruptcy Code: (i) redacting from any paper filed with the Court of, (a) the home addresses and email addresses of any citizens of the United States located in the United States, including the Debtors' employees, individual shareholders, and individual customers, and (b) the names, home addresses, and email addresses of any citizens of the United Kingdom or European Economic Area member countries and any individual whose citizenship is unknown; and (ii) redacting of individual customer names, regardless of where such individual customers are located, in any instance when

³ The "Supplemental Committee Joinder" means *The Official Committee of Unsecured Creditors' (I) Joinder to the Debtors' Motion to Redact Personally Identifiable Information and (II) Supplemental Joinder to the Debtors' Motion to Redact Names in Connection with Financial Information in Publicly Filed Pleadings*, filed contemporaneously herewith.

individual customer names would be disclosed in connection with customer account balances and implementation of anonymized identification numbers in lieu of names.⁴

7. Both forms of redaction are necessary to protect information that would create “undue risk of identity theft or unlawful injury to [] individual[s] or [] individual[s’] property” in these chapter 11 cases. 11 U.S.C. § 107(c)(1).

A. Redacting the Home Addresses, Email Addresses, and Names (Where Applicable) of the Protected Parties Is Warranted Under Section 107(c) of the Bankruptcy Code.

8. *First*, the *undue risk* associated with publicly disclosing home addresses and email addresses of individuals in these chapter 11 cases is real. As set forth in the Sealing Motion and exhibits attached thereto, all incorporated herein by reference, the Debtors’ customers are particularly concerned with the security and privacy of their personally identifiable information because disclosure of such information could potentially result in a customer becoming the target of identity theft, blackmail, harassment, stalking, and doxing. Importantly, attached as Exhibit C to the Sealing Motion, and reattached hereto as Exhibit B-1, are examples of Reddit threads of customers expressing concerns for their safety. Since the first hearing on the Sealing Motion on September 1, 2022, those customer pleas have been reiterated, and additional examples are attached hereto as Exhibit B-2.

9. In addition, attached as Exhibit D to the Sealing Motion, and reattached hereto as Exhibit C-1, are a sampling of emails sent to CelsiusCreditorInquiries@kirkland.com from customers expressing concerns for their safety if certain information is publicly disclosed. Those

⁴ The Motions are supported by the Committee, the statutory representative of customers and other individual creditors, as set forth in the Committee Joinder and the Supplemental Committee Joinder. The Sealing Motion, particularly with respect to the redaction of home addresses and email addresses, is also supported by two ad hoc groups. See [Docket Nos. 633, 642].

customer concerns have since been reiterated, and additional examples are attached hereto as **Exhibit C-2**. Moreover, attached as **Exhibit B** to the Sealing Motion, and reattached hereto as **Exhibit D**, are Reddit posts threatening Alex Mashinsky and/or other Celsius employees.⁵

10. Attacks on individuals, customers, and employees alike will only increase if home address and email addresses are made publicly available on the docket. These attacks will likely take the form of doxing, of which approximately 21% of Americans have experienced, and may be as extreme as physical assault and/or robbery, as further explained herein.⁶ The Debtors are concerned that making home addresses and email addresses publicly available to hackers will undoubtedly result in online and/or physical violence. *See* Suppl. Bixler Decl. ¶¶ 6, 7.

11. ***Second***, the Court should permit the names, in addition to the home addresses and email addresses, of EU and UK citizens, and those individuals whose citizenship is unknown, to be redacted in these chapter 11 cases. The significant penalties associated with violations of the EU GDPR and UK GDPR and the need for a “legitimate interest” to disclose information publicly are evidence that publicly disclosing this information online creates an ***undue risk*** of harm to these individuals. *See* United Kingdom Data Protection Act 2018, section 157(5)(a) (as amended by Data Protection, Privacy and Electronic Communications (Amendments etc.) (EU Exit) Regulations 2019); *see also* General Data Protection Regulation (EU) 2016/679, art. 83(5).⁷

⁵ For the avoidance of doubt, this are non-exhaustive examples of the types of threats the Debtors’ employees have received.

⁶ *See Doxing in 2022: An Unexpectedly Widespread Cybersecurity Threat*, SafeHome.org Team (Apr. 6, 2022) <https://www.safehome.org/family-safety/doxxing-online-harassment-research/>. A copy is attached hereto as **Exhibit E**.

⁷ If an organization is found to have processed information in breach of the UK GDPR, the organization may be fined up to the higher of £17,500,000 or 4 percent of worldwide annual turnover—*i.e.*, total annual revenues—of the preceding financial year. Similarly, for a breach of the EU GDPR, the organization may be fined up to the higher of €20,000,000 or 4 percent of worldwide annual turnover—*i.e.*, total annual revenues—of the preceding financial year.

12. Moreover, the relief requested in the Sealing Motion is a less intrusive way for the Debtors to share Personal Data while still complying with the requirements of the Bankruptcy Code. By redacting names on publicly filed documents, the Debtors are protecting creditors' interests and rights to privacy and abiding by one of the foundational principles of the EU GDPR and UK GDPR by minimizing processing to that which is necessary to achieve the relevant purpose. *See* Article 5(1)(c) UK GDPR and EU GDPR.

13. Finally, redacting names in compliance with the EU GDPR and UK GDPR will inure to the benefits of all stakeholders in these chapter 11 cases. If the Debtors are required to file the names of EU and UK citizens on the docket, the Debtors may be sued by such citizens for alleged violations of the EU GDPR and UK GDPR. The costs and time associated with defending these actions, whether such actions are brought in this Court or in European courts, will force the Debtors' management team to spend significant time and effort defending those actions that would otherwise be dedicated to these chapter 11 cases. This is true even if the Debtors are ultimately successful in those actions.⁸ Any time and expense directed away from these chapter 11 cases will almost certainly reduce creditor recoveries in these chapter 11 cases.⁹

14. Thus, redacting the names of EU and UK citizens not only protects those individuals,

⁸ The automatic stay does not prevent parties from filing actions in this Court for violations of the EU GDPR and UK GDPR. With respect to any actions brought in European courts, the Debtors will spend time and energy seeking to remove such actions to this Court and/or litigating violations of the automatic stay given the order entered by this Court affirming the applicability of the automatic stay worldwide. *See* [Docket No. 60]. Thus, the injunction contained in section 362 of the Bankruptcy Code is unlikely to provide the Debtors with a "breathing spell" from their creditors alleging violations of the EU GDPR and UK GDPR. *See, e.g., In re Ionosphere Clubs, Inc.*, 922 F.2d 984, 989 (2d Cir. 1990) (citations omitted).

⁹ Moreover, if the Debtors are not successful in defending those actions, there are a variety of different penalties and administrative burdens that may be imposed on the Debtors, including: (a) fines; (b) requests for information from the UK Information Commissioner's Office (the "ICO") (that may need to be answered on 24-hours' notice); (c) issuances of assessment notices from the ICO requiring the Debtors to allow the ICO to assess the Debtors' compliance with the UK GDPR (which can be on less than seven-days' notice); and (d) issuances of enforcement notices requiring the Debtors to take, or refrain from taking, any actions in respect of their processing of personal data under the GDPR (on as little as 24-hours' notice). *See generally* Article 58 UK GDPR and EU GDPR.

but also protects all stakeholders from having to bear the costs associated with the Debtors defending against potential allegations of EU GDPR and UK GDPR violations.

B. Redacting the Names of Individuals in Connection with Account Balances is Warranted Under Section 107(c) of the Bankruptcy Code.

15. The Debtors did not receive any formal or informal objections to the Account Redaction Motion; however, to the extent the Sealing Objection is construed as an objection to the Account Redaction Motion, such objection should be overruled. For the reasons set forth in the Motions and reiterated herein, publicly disclosing customer names and account balances on the docket creates an *extreme undue risk of identity theft and other unlawful injury* to customers.

16. For example, in November 2021, a technology entrepreneur was the victim of a robbery in his own home due to his Bitcoin fortune.¹⁰ He was robbed and beaten in his own home until he gave the robbers his online account password so they could access millions of dollars' worth of Bitcoin.¹¹ In December 2020, following a data breach on Ledger—a company that provides security and infrastructure solutions for cryptocurrencies and blockchain applications for individuals and businesses—customers of Ledger received threatening emails demanding payment or “else risk being attacked in their homes.”¹² In 2019, a Norwegian Bitcoin millionaire jumped from his balcony to avoid being robbed at gunpoint in his own home.¹³

¹⁰ See Ed Browne, *Bitcoin Millionaire Zaryn Dentzel Says He Was Beaten, Had Fortune Stolen in Masked Robbery* (Nov. 3, 2021) <https://www.newsweek.com/bitcoin-millionaire-zaryn-dentzel-beaten-fortune-stolen-masked-robbery-cryptocurrency-1645550>. A copy of which is attached hereto as **Exhibit F**.

¹¹ *Id.*

¹² See Osato Avan-Nomayo, *Doxxed Ledger users in danger of physical harm* (Dec. 21, 2020) <https://cointelegraph.com/news/doxxed-ledger-users-in-danger-of-physical-harm>. A copy of which is attached hereto as **Exhibit G**.

¹³ See Marie Huillet, *Norwegian Bitcoin Millionaire Jumps From Balcony to Flee Armed Burglar* (Sept. 9, 2019) <https://cointelegraph.com/news/norwegian-bitcoin-millionaire-jumps-from-balcony-to-flee-armed-burglar>. A copy of which is attached hereto as **Exhibit H**.

17. These are only a few examples of the very real and serious harm the Debtors' customers face if their names and account balances are made public on the docket and on Stretto. Providing hackers with a detailed road map of names and account balances, particularly in instances where that information may be provided in connection with a release of cryptocurrency from the Celsius platform, all but guarantees that at least one (if not many more) of the Debtors' 300,000 plus active account users will be a victim of actual theft or robbery in addition to a phishing or malware scam.

18. Listing customer names in connection with account balances would provide sophisticated hackers with ample ammunition and motivation to uncover additional existing personal information that may be used to target individuals. *See* Suppl. Bixler Decl. ¶ 10. Hackers, whose primary objective is to retrieve data without authorization, would be especially incentivized to utilize their skills and techniques to pursue creditors with high account balances because of the potential for a substantial payout should they be successful in their endeavor. *Id.* In addition, disclosing customer names in connection with account balances will increase the likelihood of fraud if and/or when funds are released off of the Debtors' platform. *Id.* ¶ 11.

II. Redacting the Confidential Commercial Information of the Debtors' Customers Is Warranted Under Section 107(b) of the Bankruptcy Code.

19. The evidence and reasoning set forth in the Sealing Motion and Omnibus Reply with respect to the confidential commercial nature of the home addresses and email addresses of the Debtors' customers is incorporated herein by reference. In addition, redacting this information will significantly reduce the likelihood that competitors will be able to poach the Debtors' customers. *See* Suppl. Bixler Decl. ¶ 4. Preserving a loyal customer base is necessary to any successful reorganization in these chapter 11 cases, and redacting the home addresses and email addresses of the Debtors' customers will help preserve trust in the Debtors' platform. *Id.*

20. Redacting the home addresses and email addresses at this stage in the chapter 11 cases is necessary to preserve any value that the Debtors' customer base may have in the Debtors' marketing process. *Id.* ¶ 5. The Debtors' customer base is an extremely valuable asset to the Debtors, and at the very least, the Debtors' advisors should be able to market test that value to determine what price third parties would be willing to pay for such asset. *Id.*

III. In the Alternative, the Court Should Impound all Lists of Individual Home Addresses, Individual Email Addresses, and Individual Customer Names and Account Balances Pursuant to Bankruptcy Rule 1007(j).

21. To the extent the Court denies all or part of the relief requested in the Motions, the Debtors request that, in the alternative, the Court impounds all documents filed on the docket where "lists" of home addresses, email addresses, and customer names and account balances are required to be provided, including, the Creditor Matrix, consolidated list of the Debtors' top 50 unsecured creditors, and certain parts of the Debtors' Schedules and Statements (*e.g.*, Schedules D, E/F, and G and lists of withdrawals made by customers in the 90 days prior to the Petition Date in the Statements).¹⁴ While this will not eliminate all undue risk of identity theft or other unlawful injury, as names, home addresses, and/or email addresses will appear in other documents filed on the docket that may not be impounded pursuant to Bankruptcy Rule 1007(j) (namely affidavits of service), this relief would at least offer some protection to individuals, particularly where customer names are listed in connection with account balances.

22. Bankruptcy Rule 1007(j) provides that "for cause shown the court may direct the impounding of the lists filed under this rule, and may refuse to permit inspection by any entity. The court may permit inspection or use of the lists, however, by any party in interest on terms prescribed

¹⁴ This alternative request for relief was not originally requested in either of the Motions; however, at the hearing on September 1, 2022, this Court raised it as an alternative to redaction. *See* Sept. 1, 2022, Hr'g Tr. 75:5–77:7. A copy of the relevant pages are attached hereto as **Exhibit I**.

by the court.” Fed. R. Bankr. P. 1007(j). As Collier’s notes, Bankruptcy Rule 1007(j) does not appear to apply to the impounding of schedules and statements, but that bankruptcy courts may still impound such information pursuant to sections 105 and/or 107(b) of the Bankruptcy Code. *See* 9 Collier on Bankruptcy ¶ 1007.10 (16th ed. 2022). For the reasons set forth in the Motions and herein, there is more than sufficient cause for the Court to impound all lists of information the Debtors are required to file pursuant to Bankruptcy Rule 1007 that require the Debtors to set forth the names, home addresses, email addresses, and customer names and account balances in these chapter 11 cases.

23. Thus, to the extent the Court does not find that redaction is warranted, the Debtors request that, in the alternative, the Court use its equitable powers pursuant to section 105 of the Bankruptcy Code to impound the Creditor Matrix, consolidated list of the Debtors’ top 50 unsecured creditors, and certain parts of the Debtors’ Schedules and Statements (*e.g.*, Schedules D, E/F, and G and lists of withdrawals made by customers in the 90 days prior to the Petition Date in the Statements), and any other lists required by Bankruptcy Rule 1007 that contain the same or substantially similar information.

Reservation of Rights

24. The Debtors reserve the rights to supplement this Reply with evidence in support of the relief requested herein and may also present additional evidence at the hearing on the Motions to the extent requested, and the Debtors will make reasonable efforts to share such evidence, if any, with the U.S. Trustee and the Committee in advance of the hearing. In addition, the Debtors reserve the rights to file additional requests for redaction pursuant to the applicable sections of the Bankruptcy Code and in accordance with the Bankruptcy Rules and Local Rules in these chapter 11 cases.

Conclusion

25. For the reasons stated above and in the Motions, the Debtors request that the Court overrule the Objections and grant the relief requested in the Motions.

[Remainder of page intentionally left blank]

WHEREFORE, the Debtors request that the Court enter the proposed orders attached as Exhibit A to the Sealing Motion and Exhibit A to the Account Redaction Motion granting the relief requested therein and such other relief as the Court deems appropriate under these circumstances.

New York, New York
Dated: September 12, 2022

/s/ Joshua A. Sussberg

KIRKLAND & ELLIS LLP
KIRKLAND & ELLIS INTERNATIONAL LLP
Joshua A. Sussberg, P.C.
601 Lexington Avenue
New York, New York 10022
Telephone: (212) 446-4800
Facsimile: (212) 446-4900
Email: jsussberg@kirkland.com

- and -

Patrick J. Nash, Jr., P.C. (admitted *pro hac vice*)
Ross M. Kwasteniet, P.C. (admitted *pro hac vice*)
Christopher S. Koenig
Dan Latona (admitted *pro hac vice*)
300 North LaSalle Street
Chicago, Illinois 60654
Telephone: (312) 862-2000
Facsimile: (312) 862-2200
Email: patrick.nash@kirkland.com
ross.kwasteniet@kirkland.com
chris.koenig@kirkland.com
dan.latona@kirkland.com

*Proposed Counsel to the Debtors and
Debtors in Possession*

Exhibit A

Supplemental Declaration of Holden Bixler

Joshua A. Sussberg, P.C.
KIRKLAND & ELLIS LLP
KIRKLAND & ELLIS INTERNATIONAL LLP
601 Lexington Avenue
New York, New York 10022
Telephone: (212) 446-4800
Facsimile: (212) 446-4900

*Proposed Counsel to the Debtors and
Debtors in Possession*

Patrick J. Nash, Jr., P.C. (admitted *pro hac vice*)
Ross M. Kwasteniet, P.C. (admitted *pro hac vice*)
Christopher S. Koenig
Dan Latona (admitted *pro hac vice*)
KIRKLAND & ELLIS LLP
KIRKLAND & ELLIS INTERNATIONAL LLP
300 North LaSalle Street
Chicago, Illinois 60654
Telephone: (312) 862-2000
Facsimile: (312) 862-2200

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

In re:

CELSIUS NETWORK LLC, *et al.*,¹

Debtors.

)
) Chapter 11
)
) Case No. 22-10964 (MG)
)
) (Jointly Administered)
)

**SUPPLEMENTAL DECLARATION
OF HOLDEN BIXLER, MANAGING DIRECTOR
OF ALVAREZ & MARSAL NORTH AMERICA, LLC,
IN SUPPORT OF THE DEBTORS' SUPPLEMENTAL REPLY
IN SUPPORT OF THE DEBTORS' REQUESTS TO (A) REDACT
CERTAIN PERSONALLY IDENTIFIABLE INFORMATION OF INDIVIDUALS
AND UNITED KINGDOM AND EUROPEAN UNION MEMBER COUNTRIES'
CITIZENS AND (B) IMPLEMENT AN ANONYMIZED IDENTIFICATION PROCESS**

I, Holden Bixler, hereby declare under penalty of perjury:

1. I am a Managing Director of Alvarez & Marsal North America, LLC ("A&M"), a global restructuring advisory services firm and a restructuring advisor to the above-captioned debtors and debtors in possession ("Debtors"). I am authorized to submit this supplemental

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are: Celsius Network LLC (2148); Celsius KeyFi LLC (4414); Celsius Lending LLC (8417); Celsius Mining LLC (1387); Celsius Network Inc. (1219); Celsius Network Limited (8554); Celsius Networks Lending LLC (3390); and Celsius US Holding LLC (7956). The location of Debtor Celsius Network LLC's principal place of business and the Debtors' service address in these chapter 11 cases is 121 River Street, PH05, Hoboken, New Jersey 07030.

declaration (the “Supplemental Declaration”) on behalf of A&M.²

2. On August 3, 2022, the Debtors filed the Sealing Motion and I submitted a declaration in support of the Sealing Motion attached as Exhibit F thereto (the “First Declaration”). On August 30, 2022, the Debtors filed the Account Redaction Motion and the Omnibus Reply. This Supplemental Declaration is being submitted following additional discussions with the Debtors to supplement my First Declaration and in support of the Motions, the Omnibus Reply, and the Reply filed contemporaneously herewith.

3. The statements in this Supplemental Declaration are, except where specifically noted, based on my personal knowledge or opinion, on information that I have received from the Debtors’ employees or advisors, or employees of A&M working directly with me or under my supervision, direction, or control, or from the Debtors’ books and records maintained in the ordinary course of their business. Neither A&M nor I am being specifically compensated for this testimony, other than compensation to A&M as a professional services firm employed by the Debtors. If I were called upon to testify, I could and would competently testify to the facts set forth herein on that basis.

A. The Debtors’ Customer List is a Valuable Asset.

4. As set forth in the First Declaration, the Debtors’ customer list is one of the Debtors’ key assets. Based on discussions with the Company, I understand that redacting the home addresses

² Capitalized terms used but not otherwise defined herein shall have the meaning as set forth in the Motions, Omnibus Reply, Reply, or the *Debtors’ Motion for Entry of an Order (I) Authorizing the Debtors to Prepare a Consolidated List of Creditors in Lieu of Submitting a Separate Mailing Matrix for Each Debtor, (II) Authorizing the Debtors to File a Consolidated List of the Debtors’ Fifty Largest Unsecured Creditors, (III) Authorizing the Debtors to Redact Certain Personally Identifiable Information, (IV) Approving the Form and Manner of Notifying the Creditors of Commencement, and (V) Granting Related Relief* [Docket No. 18], as applicable.

and email addresses of the Debtors' customers is necessary for two important reasons. *First*, redacting this information will significantly reduce the likelihood that competitors will be able to poach the Debtors' customers. Preserving a loyal customer base is necessary to any successful reorganization, as the Debtors' customers are the primary driver of any go-forward business. Importantly, redacting the home addresses and email addresses of the Debtors' customers will protect customers from being targets of phishing and other cyberattacks, and will help preserve trust in the Debtors' platform.

5. *Second*, redacting the home addresses and email addresses at this stage in the chapter 11 cases is necessary to preserve any value that the Debtors' customer base may have in the Debtors' marketing process. The Debtors are at the beginning stage of this marketing process, and if they are required to disclose this information now, it will effectively diminish any value that the Debtors may be able to derive from their customer list in an asset sale. The Debtors' customer base is an extremely valuable asset to the Debtors, and at the very least, the Debtors' advisors should be able to market test that value to determine what price third parties would be willing to pay for such asset.

B. The Protected Parties' Information Should Be Sealed.

6. As set forth in the First Declaration, given the number of employees, individual creditors, and interest holders and the prevalence of identity theft, stalking, doxing, and intimate partner violence, the Debtors are concerned that publishing the home addresses, email addresses, and names (where applicable) of their employees and individual creditors and interest holders will jeopardize those employees' and individual creditors' and interest holders' data privacy and

personal safety. Based on further discussions with the Company, I understand that given the unique nature of the Debtors' business, the home addresses and email addresses of individuals are the exact types of information that hackers use to "target" individuals with phishing scams or other attacks.

7. The Debtors have an established, robust security system in place to prevent such attacks. It is necessary for the Debtors to be proactive in these chapter 11 cases to maintain that same, or a similar, level of security to protect creditors' data so as not to eviscerate the security protocols in place. Absent the authority to redact names (where applicable), home addresses, and email addresses of individuals in these chapter 11 cases, it will be extremely difficult for the Debtors to continue providing the security their customers demand.

8. Based on my experience, noting "Address on File" in lieu of an individual creditor's home address, email address, and/or name (where applicable) on the version of the Creditor Matrix and Schedules and Statements posted to the docket is a cost-effective and minimally burdensome approach to addressing the risks associated with publishing home addresses on the internet as part of the Creditor Matrix, the Schedules and Statements, or other pleadings. The Debtors will provide an unredacted copy of the Creditor Matrix and the Schedules and Statements to the Court, the U.S. Trustee, and counsel to the Committee. The Debtors will provide an unredacted copy of the Creditor Matrix, the Schedules and Statements, or any other redacted paper, to parties in interest who make a request reasonably related to the chapter 11 cases. Nothing precludes a party in interest from their right to file a motion requesting that the Court unseal the information redacted by the proposed order.

9. I am not aware of any party seeking an unredacted version of the Creditor Matrix and/or Schedules and Statements or requesting access to the home addresses, email addresses, or names (where applicable) of any employees.

C. An Anonymized Process Should Be Used in Lieu of Customer Names in Connection with Account Balances.

10. Based on discussions with the Company, I understand that listing customer names in connection with account balances would provide sophisticated hackers with ample ammunition and motivation to uncover additional existing personal information that may be used to target individuals. Hackers, whose primary objective is to retrieve data without authorization, would be especially incentivized to utilize their skills and techniques to pursue creditors with high account balances because of the potential for a substantial payout should they be successful in their endeavor. I understand that this is not uncommon in the cryptocurrency industry based on my discussions with the Debtors' Chief Security Officer and review of certain news articles attached to the Reply. *See Exhibits F–K* to the Reply.

11. In addition, based on conversations with the Company, I believe that disclosing customer names in connection with account balances will increase the likelihood of fraud if and/or when funds are released off of the Debtors' platform. For example, because the Debtors do not assign account numbers to customer accounts, but rather identify and link customer accounts to customer email addresses, there is no way to identify individual customers in connection with their account balances other than by using the individual customer's name, social security number (or other individual tax identifier), and/or email address. Thus, if the list of customer names and account balances is made publicly available (particularly if email addresses are also not redacted),

individuals may bombard the Debtors with emails and allegations that they are “x” customer entitled to “y” distribution. Alternatively, hackers may try to “intercept” or “redirect” funds off of the platform if they can match the names and account balances with the dates that certain funds will be released from the platform.

12. Moreover, I understand that customers’ historical transactions also play an important role in the Company’s security and verification process. Therefore, if the Debtors are unable to redact the historical payment detail in the Statements, the Debtors may also be providing bad actors with additional information necessary to breach the Debtors’ current security protocol.

13. While the Debtors may be able to sort through and thwart these fraudulent allegations, the administrative burdens that this places on the Debtors, when an alternative process can be put in place now, is an unnecessary burden on the Debtors’ estates. The risks of cyberattacks are real in the cryptocurrency industry, and the easier an individual’s data is to find, the more sophisticated and complex those cyberattacks may become. Utilizing an anonymized identification number in lieu of names when account balances are listed is a better way to prevent customers from being exposed to unnecessary danger.

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing statements are true and correct to the best of my knowledge, information, and belief.

New York, New York
Dated: September 12, 2022

By: /s/Holden Bixler
Name: Holden Bixler
Title: Managing Director
Alvarez & Marsal North America, LLC

Exhibit B-1

Reddit Threads of Customers Concerned with Privacy

3 hr. ago

I think with cases like this, with such personal info, the documents will still be uploaded to the docket for anyone to look at, but redacted and marked as 'Attorney Eyes Only' so (ideally) only the attorneys on both sides would have access to the sensitive parts to figure out claims, mailings, etc.

 3   Reply  Share  Report  Save  Follow

3 hr. ago

I don't think our info will be made as public as y'all making it out to be.

 1   Reply  Share  Report  Save  Follow

Community Action: Contact Court to Hide Identity of Account Owners

I was wondering how we would be able to contact the court so when they file account info August 29 they will leave our names out. We should request for account numbers only not names for security reasons

Thanks

10 Comments Award Share Save ...

Sort By: Best

8 days ago

How did most of the Celsius top 50 depositors hide their names?

[Things that make you say..](#)

4 Reply Give Award Share Report Save Follow

8 days ago

Seems more likely to me that those records would just have a protective order applied to them than for a court to care that you think crypto is anonymous despite using centralized services to interact with it.

3 Reply Give Award Share Report Save Follow

7 days ago

There's concern that Mashinsky inner circle are majors creditors, perhaps in the top 50. Including his wife and others that we know Alex paid 20million to in Cel. These names need to be unmasked so that we can be sure that decisions are made knowing all relevant info.

5 Reply Give Award Share Report Save Follow

8 days ago

Send them an anonymous email (if you put your real name/email address in there it will also be public)

2 Reply Give Award Share Report Save Follow

Sort By: Best ▾

1 day ago

I'm more concerned about the release of phone numbers and email addresses.

50 ↑ ↓ Reply Give Award Share Report Save Follow

1 day ago

Been there done that (with Ledger) and that included physical address too. Had to change phone numbers and email and until I moved I was getting shilled by shitcoins by letters (pulse chain, hex etc).

18 ↑ ↓ Reply Give Award Share Report Save Follow

1 day ago

Emails and phone numbers are not getting released right?

10 ↑ ↓ Reply Give Award Share Report Save Follow

22 hr. ago

Seems so. Emails, phone numbers, addresses and number of coins you have. That's the general consensus.

5 ↑ ↓ Reply Give Award Share Report Save Follow

19 hr. ago

How can that be legal, damn. This is the gift that keeps on fucking giving.

13 ↑ ↓ Reply Give Award Share Report Save Follow

14 hr. ago

I had the same question, specially because I'm based in Europe where privacy is key.

[REDACTED] · 15 hr. ago

Is there a way to request to be excluded from the list? Surely there's millions of accounts with 0 balance, it would suck if their data was released anyway.

↑ 2 ↓  Reply Give Award Share Report Save Follow

[REDACTED] · 6 hr. ago

Probably not.

↑ 2 ↓  Reply Give Award Share Report Save Follow

[REDACTED] · 1 day ago · *edited 1 day ago*

Anyone who has their identity stolen or personal safety threatened May think about filing a class action lawsuit with others who are in similar situation against Kirkland lawyers, citing there was another cryptocurrency bankruptcy case where everyone's identity was protected but Kirkland did not care enough to do it for celsius customers. I ll provide a link of the other case after work. I am sure there are lawyers out there who wants to see Kirkland down.

↑ 28 ↓  Reply Give Award Share Report Save Follow

1 day ago

I think with cases like this, with such personal info, the documents will still be uploaded to the docket for anyone to look at, but redacted and marked as 'Attorney Eyes Only' so (ideally) only the attorneys on both sides would have access to the sensitive parts to figure out claims, mailings, etc.



?



Reply

Give Award

Share

Report

Save

Follow

↑
47
↓

 r/CelsiusNetwork · Posted by [redacted] 7 days ago

65-mg Doc Filed 09/12/22 Entered 09/12/22 19:20:11 Main Doc

Celsius list of US creditors will have our legal names listed on stretto website. Can we petition?

There is one other crypto bankruptcy case where lawyers managed to conceal every one names and information. Why cannot Kirkland do the same?

Petition here: CelsiusCreditorQuestions@kirkland.com

I write to their lawyers at the email above.

Please write one too

 144 Comments

 Award

 Share

 Save

...

It says that they will "redact personal information" but not if that includes names. Hope so

Pg 28 of 79

6 Reply Give Award Share Report Save Follow

OP - 7 days ago

No. It does not include names! Only home address

5 Reply Give Award Share Report Save Follow

- 7 days ago

nice. bout to 5dollar wrench attack some people

6 Reply Give Award Share Report Save Follow

- 7 days ago

Curious, how do you know this? Is that in the document? Thanks

2 Reply Give Award Share Report Save Follow

OP - 7 days ago

See the link below docket 18

0 Reply Give Award Share Report Save Follow

- 7 days ago

I hope they don't list a dollar amount next to our names at least

1 Reply Give Award Share Report Save Follow

OP - 7 days ago

I don't see why they cannot do that! They have to list the dollar amount.

3 Reply Give Award Share Report Save Follow

- 7 days ago

Looking for it, and couldn't find it... sorry to ask, but could you point me in the direction of finding docket 18?

0 Reply Give Award Share Report Save Follow

OP - 6 days ago

See my link above

1 Reply Give Award Share Report Save Follow

- 7 days ago

what about phone number and email?

0 Reply Give Award Share Report Save Follow

OP - 7 days ago

Only home address will be hidden. Our name certainly will show. Phone and email will probably be shown too

3 Reply Give Award Share Report Save Follow

6 days ago
[redacted] Filed 09/12/22

Entered 09/12/22 19:20:11

Main Doc

Pg 29 of 79

Why is everyone concerned about privacy so much? I just want the fucking tokens they are holding hostage back. That easily trumps anonymity for me.

 -4   Reply Give Award Share Report Save Follow

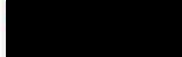
[redacted] - 6 days ago

Because scammers will blow your shit up.

You will now get 20 emails a day from 'Stratto' that aren't from Stratto. Hopefully you don't respond to the phishing email by mistake.

 8   Reply Give Award Share Report Save Follow

65-mg



7 days ago

09/12/22

Entered 09/12/22 19:20:11

Main Doc

can't be serious ? does the court have any idea how much damage that could do.

Pg 30 of 79

12 Reply Give Award Share Report Save Follow



6 days ago

The same damage as on any other bankruptcy proceedings.

1 Reply Give Award Share Report Save Follow



7 days ago

god dammit. thats gonna be a nice little database creation to be passed around the grey market

16 Reply Give Award Share Report Save Follow

Did Voyager customers have their names made public? I see in the request you linked that Voyager did the same thing

↑ -2 ↓ Reply Give Award Share Report Save Follow

[redacted] OP · 7 days ago

[redacted] · 6 days ago

No, this hasn't been decided yet. All they've said is that customer's PII at MCB will follow privacy laws, basically meaning they won't release multiple forms of personal info like name and dob. But I believe releasing a name is ok.

↑ 1 ↓ Reply Give Award Share Report Save Follow

12 Comments Award Share Save ...

Sort By: Best ▼

5 days ago

I don't see why I'd want to get an answer from what is effectively the opposition that only cares about defending the company.

7 Reply Give Award Share Report Save Follow

OP · 5 days ago

Ask them not to reveal our legal names in their schedule

2 Reply Give Award Share Report Save Follow

5 days ago

That's if you send a message to the judge not stretto

1 Reply Give Award Share Report Save Follow

OP · 5 days ago

Their lawyers will have to file a motion in court to protect our privacy. Judge can only approve it. Judge cannot file for us. The email address is Kirkland their lawyers. Their lawyers can do it if they really want

1 Reply Give Award Share Report Save Follow

Exhibit B-2

Additional Examples of Reddit Threads of Customers Concerned with Privacy



Posted by [REDACTED] 11 days ago



15



Write Judge Glenn - Have you been targeted by criminals due to your name being published in relation to the Celsius, BlockFi, Voyager cases?

Judge Glenn is not convinced that there is any inherent threat to having creditors' **Full Name, Home Address, Email Address and Total Assets** held with Celsius made publically available. He said he has not seen any evidence of this concern from Creditors.

If you disagree with this opinion, **THIS IS** a reason to write to the judge. If you have any concern that you may become a victim of a crime if this information is made public, let him know.

My understanding is that the statement of assets held was to be published through the Celsius App instead of being published unredacted to the court docket.

He needs convincing that there is a true safety concern.

ETA:

Judge Glenn will be making a ruling regarding this Sept 14. He will be referring to bankruptcy rule 1007 to make his decision. The rule is linked below for reference:

https://www.law.cornell.edu/rules/frbp/rule_1007



17 Comments



Share



Save

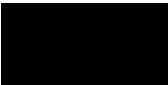


Hide



Report

76% Upvoted

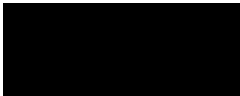


11 days ago

They're now talking about only sharing the Names of EU creditors, however, Kirkland says that it could still be a big problem because of the GDPR.

As op said, send a letter to the Judge. If your Phone number, Address and Name are shared, you could easily become a victim of sim swapping or \$5 wrench attack.

2 Reply Share Report Save Follow



11 days ago

The ad hoc groups are trying to convince him, but he's getting frustrated.

I get his frustration because Celsius has been unwilling to be transparent in past dealings. He doesn't want them to have any wiggle room to do any further harm, however this issue is incredibly important.

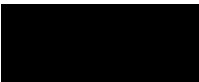
3 Reply Share Report Save Follow



11 days ago

Where can we write him easiest? This is a huge concern

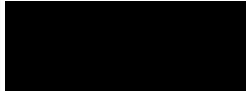
0 Reply Share Report Save Follow



11 days ago

What's the best way to write judge Glenn? I'm in Canada, so small mail isn't ideal

 2   Reply Share Report Save Follow



11 days ago

People were sending emails directly to him, but he made it clear that he preferred they didn't. People are now uploading letters to the docket using this link:

<https://coop.nysb.uscourts.gov/prosefiles>.

I believe you can also CC any of the three attorneys with White & Case who are representing the UCC:

<https://cases.stretto.com/public/x191/11749/PLEADINGS/1174908082280000000091.pdf>

 3   Reply Share Report Save Follow

 11 days ago

I dont understand why can't he and US trustee's office be given the full list and then publish a redacted list showing only what will all parties agree on is enough? Or why does that list have to made public at all? What is the reason for having 300,000 names and addresses made public to everyone?

 8   Reply Share Report Save Follow

 11 days ago

I dont understand why can't he and US trustee's office be given the full list and then publish a redacted list showing only what will all parties agree on is enough?

This is what's being requested by ad hoc and concerned creditors and debtors. He seemed really concerned about transparency and making sure that this case follows established bankruptcy case law. Problem is, this is a crypto case, so case law is being established with the rulings he'll make.

 3   Reply Share Report Save Follow

 11 days ago

But at least he seemed to be ok with only the names and not emails/addresses, still not great but imagine if everyone's address will be published. I think someone needs to explain to him that with crypto everyone is their own bank so it will be basically exposing evryone as a custodian of their own funds instead of (what he is probably used to) individuals who might have more funds with some other institutions such as banks. No our fubns are on our own ledgers, most likely in our underpants, \$5 wrench attack etc:D

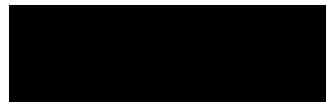
 3   Reply Share Report Save Follow



11 days ago

Which doc are they talking about here? The one filed July 19?

 2   Reply Share Report Save Follow



10 days ago

European law : there are privacy issues.. Legally I don't think they can?

Its a bad idea in general ... address, name and \$?

 2   Reply Share Report Save Follow

Exhibit C-1

**Email Correspondences Sent to
CelsiusCreditorInquiries@kirkland.com Regarding Personally Identifiable Information**

From: [REDACTED]
Sent: Wednesday, July 27, 2022 11:30 AM
To: info@kirkland.com; #CelsiusCreditorQuestions <Celsiuscreditorquestions@kirkland.com>
Subject: Celsius Comments and Questions - Individual info - Robots.txt , GDPR

This message is from an EXTERNAL SENDER

Be cautious, particularly with links and attachments.

Dear Kirklnad and partners.

This email is confidential.. Do not reproduce or refer to it without my written consent.

A)

I would like to express my concern on the potential of individual data being published and made accessible. If there are no options, consider these damage limitations actions:

- 1) Limit the published information as much as possible, maybe display only the initials or a combination of the first characters of the name and surname
- 2) The data should not be indexable by search engines. This is a simple procedure done on the website by setting the right settings in robots.txt file. The site webmaster will surely know how to do this, it is not complicated.
- 3) GDPR rules apply to EU Citizens worldwide. There could be large consequences if anyone invokes this on the data of EU Citizens.


B)

If the publication of data takes place, can I file an individual motion not to publish my data? Will the motion itself be public (as that would defeat the purpose)?

C)

I am not sure if I should engage in a lawyer, do you have any advice on this? Would the cost justify the increase in returns?

Thanks for your efforts to save our money in Celsius.

 (no authorisation to publish my name is given)

From:

Date: July 21, 2022 at 11:22:58 PM EDT

To: #CelsiusCreditorQuestions <Celsiuscreditorquestions@kirkland.com>

Subject: Schedule

This message is from an EXTERNAL SENDER

Be cautious, particularly with links and attachments.

When you do your debtors schedule, do not publish creditor's legal names online. Instead, use an account number. Or use initials. Many people will be very concerned with you exposing our identity to ID theft, threatening our personal safety during a recession (since people will see the claim amount), and making our personal life difficult.

Sent from my iPhone

From: [REDACTED]
Sent: Wednesday, July 27, 2022 2:30 PM
To: #CelsiusCreditorQuestions <Celsiuscreditorquestions@kirkland.com>
Subject: publishing personal information?

This message is from an EXTERNAL SENDER

Be cautious, particularly with links and attachments.

I have seen in a few places the fact that a list of creditors will be published as part of the case record. Is there any way to make sure my personal identifying information (name, email, phone number, address) is redacted or anonymized (perhaps by using only Celsius account number). What type of information will be published in the list of creditors? Will I have any ability to decide how much of my information is listed? Thanks,

[REDACTED]

Exhibit C-2

**Additional Examples of Email Correspondences Sent to
CelsiusCreditorInquiries@kirkland.com Regarding Personally Identifiable Information**

From: [REDACTED]
Sent: Thursday, August 4, 2022 9:24 AM
To: #CelsiusCreditorQuestions
Subject: Request for privacy

Follow Up Flag: Follow up
Flag Status: Completed

This message is from an EXTERNAL SENDER

Be cautious, particularly with links and attachments.

I am one of the listed creditors in the Celsius case. I would like to formally request that my name and addresses (or any other identifying information) be redacted from court filings. If this email doesn't suffice, what steps can I take to achieve the same protections afforded to the European customers whose privacy is protected by the GDPR? Thank you,
[REDACTED]

From: [REDACTED]
Sent: Thursday, September 1, 2022 7:14 PM
To: CelsiusCreditorAnswers
Subject: Creditors information

Follow Up Flag: Follow up
Flag Status: Completed

This message is from an EXTERNAL SENDER

Be cautious, particularly with links and attachments.

Hello.

I am a Celsius creditor. Will our home addresses and emails be made public along with our names? I was not able to listen to the meeting today. I believe this is a huge safety concern and addresses and emails should not be released.

Thank you.

[REDACTED]

From: [REDACTED]
Sent: Wednesday, September 7, 2022 4:15 PM
To: CelsiusCreditorAnswers
Subject: Re: Celsius Creditor Listing
Attachments: 1174908252280000000008_(0).pdf

This message is from an EXTERNAL SENDER

Be cautious, particularly with links and attachments.

Hi,

I have attached the document in question. You can search for my surname [REDACTED] in it, PDF viewers have a search function. In my case, I am a EU citizen but currently not resident. I also have a vacation home in [REDACTED] on a company with an EIN, so I do have an address in the US though I am not a resident. Please advise, maybe you can blackout my name similar to the others in the same list.

Best regards
[REDACTED]

On 9/6/2022 11:06 AM, CelsiusCreditorAnswers wrote:

Hi [REDACTED],

Thank you for your email. I'm not sure what document you are referring to exactly, but please know that the list of creditors has not been filed with the Court yet.

The "official" list of creditors is known as the Schedule of Assets and Liabilities, whereby a debtor lists all of its creditors and what it believes the amount of their claims is. That document has not been filed yet.

With regard to your request for anonymization, please note that US bankruptcy law requires the disclosure of certain information, including creditors' names. As a result, we need the Court's authority to be able to anonymize certain personally identifiable information. We have requested that authority in the Sealing Motion we filed with the Court, as you can see here:

<https://cases.stretto.com/public/x191/11749/PLEADINGS/11749080322800000000088.pdf>.

The Sealing Motion asks the Court to allow us to redact from papers filed with the Court (a) the home addresses and email addresses of any citizens of the United States located in the United States, including the Debtors' employees, individual shareholders, and individual customers, and (b) the names, home addresses, and email addresses of any citizens of the United Kingdom or European Economic Area member countries and any individual whose citizenship is unknown.

The Sealing Motion was discussed last week at the September 1 hearing, but the Court did not rule on the Sealing Motion. The Court said that it would rule on the Sealing Motion at the September 14 hearing, so please stay tuned.

From: [REDACTED]
Sent: Thursday, September 1, 2022 4:24 PM
To: #CelsiusCreditorQuestions <Celsiuscreditorquestions@kirkland.com>
Subject: Celsius Creditor Listing

Dear support,

I found that my name [REDACTED] is in the list of 'Retail Customers' in a court document from 8/24, apparently filed by White & Case LLP. I saw that some of the names in the list are blacked-out, and most of the names of Celsius' hundreds of thousands customers that are supposed to exist are not in that list. Please let me know how to get anonymized, and please do not list my name without explicit permission in the future.

Best regards
[REDACTED]

Exhibit D

Reddit Posts Threatening Alex Mashinsky

21 [REDACTED] Jul 20 09/12/22 19:20:11 Main Document
On the #Celsius Chapter 11 Reorg today hosted by @SimonDixonTwitt,

someone came on and proposed an attack on @Mashinsky's **home** to steal his belongings and make depositors whole, just as they would do in South Africa.





r/CelsiusNetwork

• 1m

Join



How hard would it be to kill Alex Machinsky?

1.7 million people and not a single person killed him yet?

What is making it so difficult to kill Alex? Is he in a super secret hiding place or something?

Does he have body guards/security? How come no one has bribed the body guards yet? Is his wife and kids hiding too?

How come the Machinskys are untouched?



Vote



0 Comments sorted by Best ▼



Leave a comment

about reReddit

⚙️ | F.A.Q. | add-ons |

r/



[+] show filters

copy sharelink

1

[Removed by Reddit

submitted 1 day, 10 hours ago by [REDACTED]

[removed] by mod ? [removed] by Reddit legal ?

13 comments reddit other-discussions subreddit-index message mods op-focus ↻

[-] Really surprised to see everyone here wants Alex in jail.

I'm surprised you don't want to see him killed.

I absolutely want to see see Alex Machinsky get killed. IDC if fbi is tracking me. This man needs to be murdered.

[-] view less

1 day, 9 hours ago

1 day, 10 hours ago

14 of 14

Tip Reveddit Real-Time can notify you when your content is removed.

archive status

comments 18 hours, 47 minutes until overwrite

Tip Check if your account has any removed comments.
[view my removed comments](#)

[-] [REDACTED] 6 points 1 day, 10 hours ago

You got us in the first half not gonna lie

[permalink](#) [hide replies \(1\)](#) [author-focus](#) [as-of](#) [preserve](#) ?

[-] [REDACTED] 3 points 1 day, 10 hours ago

But come on now, you are telling me that there are 1.7 million people that had a LOT of assets with Celsius, and not one single person wants to kill him? 1.7 million people, I really hope there is ONE person out of that 1.7 million that will actually kill him

[permalink](#) [parent](#) [context](#) [hide replies \(1\)](#) [author-focus](#) [as-of](#) [preserve](#) ?

[-] [REDACTED] 3 points 1 day, 10 hours ago

wish in one hand, shit in the other, see which one gets filled first

[permalink](#) [parent](#) [context](#) [author-focus](#) [as-of](#) [preserve](#) ?

[-] [REDACTED] 3 points 1 day, 10 hours ago

People that want him killed are worse than Alex and actually sick in the head. Maybe have some retrospection and think about how you shouldn't invest money you can't afford to lose because you were all hailing him when he gave you 'free' money.

[permalink](#) [hide replies \(1\)](#) [author-focus](#) [as-of](#) [preserve](#) ?

[–] [REDACTED] 0 points 1 day, 10 hours ago

So you are saying, if someone steals your money, it's ABNORMAL to want that person dead?

[permalink](#) [parent](#) [context](#) [hide replies \(2\)](#) [author-focus](#) [as-of](#) [preserve](#) ?

[–] [REDACTED] 2 points 1 day, 10 hours ago

yes. life is precious and you'll get PTSD if you kill someone unless you have issues already

[permalink](#) [parent](#) [context](#) [author-focus](#) [as-of](#) [preserve](#) ?

[–] [REDACTED] 2 points 1 day, 10 hours ago

He didn't steal your money. You invested in a high risk product and the company went bankrupt. Maybe think about your own actions also before you blame it all on one guy.

[permalink](#) [parent](#) [context](#) [author-focus](#) [as-of](#) [preserve](#) ?

[–] [REDACTED] 3 points 1 day, 10 hours ago

Cos he's a [REDACTED] who let his ego get in the way of reality and lost billions as a result.

[permalink](#) [hide replies \(1\)](#) [author-focus](#) [as-of](#) [preserve](#) ?

[–] [REDACTED] -1 points 1 day, 10 hours ago

So why do you want him in jail instead of killed?

[permalink](#) [parent](#) [context](#) [hide replies \(1\)](#) [author-focus](#) [as-of](#) [preserve](#) ?

[–] [REDACTED] 2 points 1 day, 9 hours ago

bro, you don't need your money you need a psychiatrist or psychologist.

[permalink](#) [parent](#) [context](#) [author-focus](#) [as-of](#) [preserve](#) ?

[–] [deleted] 1 point 1 day, 10 hours ago

[deleted] by user ?

[as-of](#) ?

[–] [REDACTED] 0 points 1 day, 10 hours ago

Someone should put a hit out on him

[permalink](#) [hide replies \(1\)](#) [author-focus](#) [as-of](#) [preserve](#) ?

[–] [REDACTED] 1 point 1 day, 10 hours ago

Why is it that out of all 1.7 million people, not a single person out a hit on him? There is no way all 1.7 million people are okay with him still living. how hard is it to kill Alex Machinsky?

[permalink](#) [parent](#) [context](#) [hide replies \(1\)](#) [author-focus](#) [as-of](#) [preserve](#) ?

[–] [REDACTED] 2 points 1 day, 10 hours ago

why dont you do it? talk is easy

[permalink](#) [parent](#) [context](#) [author-focus](#) [as-of](#) [preserve](#) ?

9/12/22

Entered 09/12/22 19:20:11

Main Document

Pg 54 of 79

Seriously toying with the idea of creating a fund to send me to track down and question [@Mashinsky](#). We deserve answers and he can hide from Twitter, but he can't hide from life. I would sit outside his **home** until he showed his face. We have questions that deserve answers.



I don't have a huge amount of money in your system, but I swear if this is an exit move and I get [REDACTED], I will find members of your staff and murder their families...



pon 17:16

How about if something happen to people that decied to hold not your own money ?

15:50

Thank you for your message and we understand your concerns. Please note, the latest information from Celsius is listed below:

<https://blog.celsius.network/a-memo-to-the-celsius-community-59532a06ecc6>

We continually put the community first and the protection of its assets. We will share more info as it becomes available and your patience is truly appreciated.

- IR

Not paying out peoples money when they want how is that protecting ?

You end up with bullet in your head bye

Exhibit E

News Article - Doxing



Doxxing in 2022: An Unexpectedly Widespread Cybersecurity Threat

Over 43 million Americans have been doxxed,
resulting in lost friends, jobs, and identities

Written By: [SafeHome.org Team](#) | Published: April 6, 2022

At a time when ransomware, viruses, and phishing frauds frighten computer users and capture ominous headlines, another emerging cyber threat hits even closer to home.

“Doxxing” is a growing online practice that weaponizes sensitive data to threaten personal lives, careers, and safety.

The term is tech-speak for “[dropping documents](#)”, and refers to targeting individuals by maliciously publishing their personal information. Motivated by politics, personal grudges, or profit, doxxing is often accompanied by damaging allegations calculated to generate public humiliation and condemnation.

These disputes are true products of the digital age; usually starting with online spats, [Top](#)

media deployed to distribute the info worldwide. Incidents often go viral and forever stain search results, detrimentally affecting lives and livelihoods.

Doxxing with publicly available information is generally legal, and many consider it vigilante justice that unmask bullies and identifies outlaws...but detractors warn of a mob mentality that ruins reputations and inflicts irreparable harm without due process. This research highlights the reach and impact of this modern phenomenon.

Key Findings:

- **Doxxing is widespread.** 21% of Americans – over 43 million – have personally experienced doxxing.
- **Doxxing can be personal.** While more than half (52%) of doxxing attacks stem from online interactions with strangers, almost 1-in-4 perpetrators are personally known to the targets.
- **Doxxing is serious.** Doxxing most frequently leads to online shaming and harassment, but also often results in criminal conduct or consequences affecting employment.
- **Remedies aren't trusted.** With attacks usually anonymous and digital privacy largely unenforceable, doxxing targets are often left without recourse and 1/3 fail to even report attacks to authorities.

Doxxing is Widespread

Originating in the 1990s within hacker communities, doxxing spread to the mainstream via the social media explosion. The 2015 exposure of a Minnesota game-hunting dentist was among the first headline cases, but its momentum has steadily grown through the current online [pursuit of 2021 Capitol trespassers](#).

Top

More than two-thirds of Americans had either been doxxed themselves (21%) or personally knew someone who had (62%).

The personal nature of these attacks seems intimate – and that is sometimes the case — but more often doxxers are virtual strangers avenging petty or philosophical disputes.

Most doxxing incidents are sparked by online posts (52%), with agitated doxxers shining light on offensive opinions or simply aiming to harm someone with whom they disagree. Another 20% of cases stem from online gaming conflicts, where heated exchanges overflow to real-world damage (including a dangerous practice known as “[swatting](#)”).

That leaves almost a quarter of doxxers who are friends, family members, or former romantic partners releasing private information as personal payback.

Top

Extreme consequences like swatting are relatively rare, but doxxing regularly brings a host of other repercussions.

Doxxing Repercussions

Publishing a name may not seem overtly threatening, but when attached to unsavory allegations and accompanied by additional info, the potential for dark results grows greater.

Doxxing attacks impacted personal lives 86% of the time, specifically involving online harassment, public shaming, lost friendships, family harassment, and online distribution of photos. For further analysis, we grouped these repercussions into three groups – personal, criminal, and professional.

Doxxing repercussions also frequently affected professional lives, with 27% reporting harassment at work, and an equal portion fired from a job after being doxxed.

Top

Our research further revealed that doxxing damages go beyond emotions and reputations: 51% experienced criminal repercussions, including threats of violence and [identity theft](#).

Those who defend doxxing argue that consequences are attributable to targets' personal behavior rather than the exposure, but this justification rings hollow when identification/accusations prove inaccurate, families become collateral damage, or criminal acts ensue.

Reporting Doxxing Attacks

Despite severe consequences in many doxxing attacks, targets don't always contact authorities.

Top

Overall, only 2/3 of targeted parties sought to hold doxxers accountable by reporting incidents to authorities. This number fluctuated depending upon the severity and victim of the consequences.

Reporting rates were high when physical threats or **identity thefts** resulted, and where harassment **involved family members** or the workplace, but dropped off significantly when online harassment was limited to the target or personal photos were distributed.

Reasons attacks aren't reported often include:

- Doxxing and/or harassment aren't necessarily illegal, leaving authorities without jurisdiction;
- Most doxxers operate anonymously, leaving targets unable to name their attackers and unlikely to find resolution;
- Doxxing often involves uncomfortable accusations, embarrassing facts, and personal photos that targets don't wish to acknowledge or further publicize.

Those who don't report incidents tend to keep quiet and change their contact info, hoping the incident simply fades.

Conclusion

Social media is a double-edged sword that can bring people together or tear them apart; tools for finding friends and swapping recipes are sometimes repurposed to shame strangers and exes.

By maliciously publishing personal details and encouraging public reprisals, doxxers use Internet accessibility to recklessly ruin digital lives in the name of righteousness or

Top

revenge. Doxxing is also on the rise and largely legal...so protection is left to individuals. Here's what you can do to protect your data:

- Use complex, unique passwords for every online account. You should also have two-factor authentication activated.
- Check your platforms' privacy settings to ensure personal information isn't publicly available.
- Use [Virtual Private Networks](#) (VPNs) to guard devices on public connections.
- Enlist identity monitoring services to track whether your data has already been compromised.
- Separate your online presence from personal accounts wherever possible. Avoid identifiable profile photos and names, register accounts using "burner" email accounts, and post anonymously if you can't avoid controversy...or consider not posting at all.

Almost ¼ of Americans have already been doxxed and suffered personal/professional/ financial/physical repercussions. Don't become the next target: guard your data, watch your step, and think twice about whether that next Tweet or gaming insult is worth it.



Are you a journalist or researcher writing about this topic?

Are you a journalist or researcher writing about this topic? Contact us and we'll connect you with an expert who can provide insights and data to support your work.

Exhibit F

News Article - Robbery

Bitcoin Millionaire Zaryn Dentzel Says He Was Beaten, Had Fortune Stolen in Masked Robbery

N newsweek.com/bitcoin-millionaire-zaryn-dentzel-beaten-fortune-stolen-masked-robbery-cryptocurrency-1645550

Ed Browne

November 3, 2021



[Tech & Science](#) [Tech](#) [Finance](#) [Fintech](#) [Crime](#)

Spanish police are investigating an alleged violent robbery in which millions of Euros' worth of [Bitcoin](#) were stolen from a tech entrepreneur at his home in Madrid.

The victim is reported to have been Zaryn Dentzel, co-founder of Tuenti, the Spanish social network-turned communications company now owned by Telefónica.

According to Spanish newspaper *El País*, which said it has confirmed details of the story with police, Dentzel, 38, was at his home on Tuesday afternoon when his doorbell rang.

When Dentzel opened the door, a group of four or five hooded people are said to have entered his home, covered his eyes and his home's security cameras, and started to beat him.

Newspaper *El Español*, which cited "judicial and police sources," reported that the whole ordeal lasted several hours, during which time Dentzel was allegedly sprayed in the eyes and tazed while the assailants stole his belongings and forced him to reveal the password to an online account that contained his Bitcoin fortune, based on what he told investigators afterward.

The paper added that Dentzel apparently had tens of millions of Euros' worth of Bitcoin in the account.

The assailants eventually left the property with the account information and some of Dentzel's belongings. Police turned up when one of Dentzel's neighbors heard calls for help.

Police reportedly told *El País* that Dentzel had suffered a cut to his chest in the aftermath of the attack.

Forensic officers are said to be examining the crime scene to gather more information.

Spain's National Police did not appear to have published a news release on the alleged crime as of Wednesday morning. *Newsweek* has contacted Spain's National Police for more information.

While cryptocurrency thefts, hacks and scams are often perpetrated in cyberspace—such as the \$600 million cryptocurrency heist carried out against the Poly Network blockchain site earlier this year—it is not unheard of for such crimes to take place in the physical world as well.


In January 2018, U.K. police were reportedly called to the home of Danny Aston, a man who ran a cryptocurrency trading firm, after armed robbers broke in and demanded that he transfer his Bitcoin to them.

According to British newspaper *The Telegraph*, the four robbers entered Aston's Oxfordshire home in the morning by kicking down his door.

Later that year cryptocurrency news website CryptoSlate reported that physical cryptocurrency-related crime appeared to be on the rise.


Exhibit G

News Article - Threats of Harm

 COINTELEGRAPH
Communications

New opportunities for business development Let's grow together

APPLY →



 OSATO AVAN-NOMAYO

DEC 21, 2020

Doxxed Ledger users in danger of physical harm

Ledger hardware wallet users might be in danger of physical attacks, with their addresses part of the user data dump by suspected hackers.

8881

45

1:01



While users affected by the Ledger data dump are threatening legal action, some wallet owners might be at the risk of being visited by criminals. According to a Redditor named "u/relephants," some users have begun receiving threatening emails demanding a \$500 payment or else risk being attacked in their homes.

Cointelegraph.com uses [Cookies](#) to ensure the best experience for you.

ACCEPT

Actual robberies connected to Bitcoin (BTC) are not uncommon, especially when the victim is known to be a holder of the popular cryptocurrency. Back in September 2019, a Norwegian millionaire was reportedly forced to jump from his second-floor balcony to escape armed robbers.

The Ledger data dump also offers in stark relief the dangers of centralized storage of customer data. Meanwhile, United States authorities are pushing for stricter Know Your Customer compliance for noncustodial wallet owners.

DELIVERED EVERY MONDAY

Subscribe to the Law Decoded newsletter

Email Address

Subscribe

By subscribing, you agree to our
Terms of Services and Privacy Policy

#Security #Technology #Ledger #Hardware Wallet #Hacks

RELATED NEWS

The concept and future of decentralized Web3 domain names

Data from bitcoin processor suggests crypto winter is not affecting widespread adoption

Exhibit H

News Article - Burglary

 **CROSSTOWER**

Switch to CrossTower crypto exchange
and get an assured **BTC Bonus**

Download the App



 MARIE HUILLET

SEP 09, 2019

Norwegian Bitcoin Millionaire Jumps From Balcony to Flee Armed Burglar

The case of an attempted robbery that ended with a cryptocurrency multimillionaire jumping from his second-floor balcony will be heard in Norwegian courts next month.

12982

120

1:58



The case of an attempted robbery that ended with a cryptocurrency multimillionaire jumping from his second-floor balcony will be heard in Norwegian courts next month.

Local broadcaster TV 2 reported on Sept. 8 that the victim was an individual in his 40s who had been in the public spotlight for having made his 100 million NOK (\$11.2 million) fortune through his ten-year involvement in the crypto space.

According to TV 2, the attempted robbery occurred on May 14. The would-be robber is reported to have entered the victim's housing block and rang directly at his private apartment. When he opened the door, the victim was allegedly confronted with the barrel of the suspect's shotgun.

The indictment, drafted by the Oslo Attorney General's Office, alleges that the suspect threatened his target, "Lie down, or I'll shoot."

Not a single shot was fired, however, as the victim managed to escape, throwing himself from his balcony onto the street below. It is reportedly unknown whether he was injured during the escape.

The defendant's assistant attorney has refused to comment on the matter.

While details of the victim's professional life are not reported, he is said to be the general manager and owner of the board at an unnamed business in the cryptocurrency sector.

TV 2 underscores that he came to public attention for his significant financial successes in cryptocurrency.

The suspect's lawyer has said his client does not admit the criminal charges contained in the indictment but has declined to comment any further.

The court hearing is set for Oct. 17 and 18.

Grim parallels

As reported earlier this month, five men in the Indian state of Kerala were recently arrested for allegedly torturing the head of a failed \$62.5 million Bitcoin (BTC) investment scheme to death.

Last year, a Russian cryptocurrency investor and blogger murdered by masked assailants in Saint Petersburg after having boasted of his crypto-derived wealth online.

#Bitcoin #Cryptocurrencies #Norway #Crimes

RELATED NEWS

Exhibit I

Excerpt from *In re Celsius* Hearing Transcript - September 1, 2022

1 UNITED STATES BANKRUPTCY COURT

2 SOUTHERN DISTRICT OF NEW YORK

3 Case No. 22-10964-mg

4 - - - - - x

5 In the Matter of:

6
7 CELSIUS NETWORK LLC,

8
9 Debtor.

10 - - - - - x

11
12 United States Bankruptcy Court

13 One Bowling Green

14 New York, NY 10004

15
16 September 1, 2022

17 10:13 AM

18
19
20
21 B E F O R E :

22 HON MARTIN GLENN

23 U.S. BANKRUPTCY JUDGE

24
25 ECRO: F. FERGUSON

1 involved in this case are at risk of significant harm if
2 their home addresses and email addresses are published on
3 the docket. And with respect to certain citizens protected
4 by the EU and UK GDPR, their names as well.

5 THE COURT: Let me stop you because in reading the
6 papers, I don't believe anybody has addressed this issue.
7 Bankruptcy Rule 1007(j) provides -- it's on impounding of
8 lists. And it provides on motion of a party in interest and
9 for cause shown, the court may direct the impounding of the
10 list filed under this rule and may refuse to permit
11 inspection by any entity. The court may permit inspection
12 or use of the list however, by any party in interest on
13 terms prescribed by the court. Collier addresses Rule
14 1007(j), in 9 Collier, Paragraph 1007.10, 16th Edition 2022.
15 I won't read the entire portion of it. I'll read part of
16 it. It says "Federal Rule of Bankruptcy Procedure 1007(j)
17 permits the court on motion of a party in interest or for
18 cause shown to direct the impounding of the list and either
19 to refuse to permit inspection by any entity, or to permit
20 inspection or use of the list only on particular terms
21 prescribed by the court." And it goes on in the next
22 paragraph, "By its terms, Rule 1007(j) applies to the
23 impounding of lists, but not to the impounding of schedules
24 and statements filed by the debtor. In general, lists of
25 creditors, which will often include customers and others

1 with whom the debtor has dealt, are likely to contain the
2 most sensitive information. In situations in which
3 schedules or statements contain information that should be
4 kept confidential, however, the court can presumably order
5 similar impounding of the information under Section
6 107(b)(1) or it's general equitable power under Section 105
7 if not under Rule 1007." As I said, it's a 9 Collier,
8 Paragraph 1007.10.

9 Nobody has addressed that least. I didn't see it
10 in in any of the papers. I share -- I will be very candid.
11 I share the U.S. Trustee's concerns about not -- I'm less
12 troubled about addresses and email addresses than I am about
13 the names of the creditors. And this includes European, you
14 know, people who live outside the United States. I
15 understand the EU and the UK have more robust privacy rules
16 than we may here, but this case is pending here. The
17 creditors are creditors of U.S.-based debtors. And while
18 I'm sensitive to foreign law and regulation, I'm concerned
19 about not at least listing the names. So I want you and the
20 U.S. Trustee to consider one thought I've had, but certainly
21 haven't decided it, is to permit sealing of addresses and
22 email addresses but not the names, and it would be impounded
23 and any party in interest with copies to the U.S. -- of
24 unredacted information to the U.S. Trustee to the UCC,
25 perhaps also -- I haven't focused on this at this point, to

1 the Ad Hoc Committees as well. And making clear that any
2 other party in interest can seek to have access to that
3 information. And the Court, if it can't be resolved
4 consensually, the Court will obviously have to address it.
5 But none of the briefs that I read sort of headed down this
6 avenue. I wanted to put this out on the table now for you
7 and Ms. Cornell to address in their comments. Go ahead.

8 MS. JONES: Thank you. Your Honor. As an initial
9 matter with respect to names and as we get into some of the
10 GDPR concerns, we do have one of our partners from our
11 European offices, Ms. Jennifer Wilson, we filed a pro hoc
12 for her at Docket 672 and she can address some of the
13 specific GDPR concerns, especially with impounding and I'm
14 happy to turn it over to her after this.

15 But with respect to customers or other individual
16 names in these cases, if it's a European Individual and it's
17 not filed in the schedules and statements, or not filed in
18 another list, that potentially raises a different issue.
19 And if your suggestion is -- and we can talk to the U.S.
20 Trustee as well, is that any place that that comes up, we go
21 with the impounding under 107(j), I think that's definitely
22 something that can --

23 THE COURT: 1007(j).

24 MS. JONES: Oh sorry, 1007(j), then that's
25 definitely something that we're happy to discuss with them.

C E R T I F I C A T I O N

I, Sonya Ledanski Hyde, certified that the foregoing
transcript is a true and accurate record of the proceedings.



Sonya Ledanski Hyde

Veritext Legal Solutions

330 Old Country Road

Suite 300

Mineola, NY 11501

Date: September 6, 2022